

## ***MAY 2000 TAX FACTS***

### **SUMMARY OF GENERAL FUND REVENUES**

	<u>May 2000</u>	Fiscal Year <u>Total</u>
<b>Individual Income Tax</b>		
Net Collections	\$108,644,504	\$1,688,162,056
Percent Change	(5.3%)	6.7%
<b>Corporate Income Tax</b>		
Net Collections	\$28,220,376	\$425,005,691
Percent Change	(18.2%)	(1.9%)
<b>Transaction Privilege, Severance &amp; Use Taxes</b>		
Net Collections	\$239,313,551	\$2,570,353,712
Change	7.1%	9.7%
<b>Total Big Three Tax Types</b>		
Net Collections	\$376,178,431	\$4,683,521,459
Percent Change	0.9%	7.2%



# TAX FACTS

May 2000

## INDIVIDUAL INCOME TAX

### Individual Income Tax Receipts

	May 2000	May 1999	% Change
Gross Collections	\$127,401,801	\$72,556,032	75.6
Withholding	197,683,331	191,165,719	3.4
Refunds	(184,964,712)	(120,637,111)	53.3
Urban Revenue Sharing	(31,475,916)	(28,359,221)	11.0
<b>Net Collections</b>	<b>\$108,644,504</b>	<b>\$114,725,419</b>	<b>(5.3)</b>

  

	Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% Change
Gross Collections	\$737,411,279	\$688,914,380	7.0
Withholding	2,052,254,702	1,885,827,731	8.8
Refunds	(755,268,851)	(680,252,026)	11.0
Urban Revenue Sharing	(346,235,073)	(311,951,435)	11.0
<b>Net Collections</b>	<b>\$1,688,162,056</b>	<b>\$1,582,538,650</b>	<b>6.7</b>

### Federal Retiree Program

The Federal Retiree Project is drawing to a close. Refunds sent out directly as a result of the Federal Retiree Program is \$3,632 for May and \$16,707 for the fiscal year. The total revised estimated cost of the FRP project is \$162.1 million. The estimate for the final credit payout for the remaining credit holders is \$0.151 million.

### Federal Employees Retirement Contribution Program

The Federal Employees Retirement Contribution Project is also nearing completion. Refunds issued as a result of the FERC project totaled \$5,368 in May and \$31,954 for the fiscal year. In addition to this amount, \$0 available credits were used to cover outstanding agency debts. The law firm of Bonn, Lusher, Padden & Wilkins has obtained a temporary restraining order requiring the department to withhold 20% of each claimants refund based on the law firm's claim that they should be entitled to fees from each claimant that benefited from their work. This amount is equal to \$1,342 for the month of May and \$8,160 for the fiscal year.

### Individual Income Tax Document Count

In calendar year 1999, the following individual income tax returns were filed:

	140X	140	140NR	140PY	140NP R	141	140A	140PT C	140EZ	TOTAL
#	39,865	1,323,254	69,417	104,001	92	39,500	336,335	17,266	162,772	2,092,502
%	1.9	63.3	3.3	5.0	0.0	1.9	16.1	8.9	7.8	

In calendar year 2000 the number of returns filed, and processed, are as follows:

	140X	140	140NR	140P Y	140NP R	141	140A	140PT C	140EZ	OTHER	TOTAL
#	18,325	1,028,804	47,818	87,844	21	21,877	292,539	15,472	155,573	2	1,668,275
%	1.1	61.7	2.9	5.3	0.0	1.3	17.5	0.9	9.3	0.0	

The 1,668,275 returns filed through May compares to 1,711,732 returns filed during the same period of time in 1999 for an annual decrease of 2.5%. This count represents multiple tax years. For tax year 1999 filed in 2000, 1,621,142 returns have been filed, this represents an 2.8% decrease from 1998 returns filed in 1999 during the same period of time.

### **Year-Over-Year Comparison of Resident Taxpayers**

Comparisons of Federal Adjusted Gross Income (FAGI) and tax liability growth between two tax years can be made from taxpayers who have filed for both calendar years to be compared and who have indicated the same marital status on the tax returns for both years. The Department of Revenue has received 1,117,162 returns in calendar year 2000 for tax year 1999 from filers who also have returns on record from calendar year 1998 with the same marital status. On average, these filers experienced a 1.8% growth in FAGI and a 1.8% decrease in tax liability. More specifically, 35.5% of these filers experienced a decrease in tax liability; on average a decrease of 38.3% with a corresponding average decrease in FAGI of 21.3%. Filers showing an increase in tax liability totaled 580,994, or 52.0%, with an average FAGI increase of 23.1% and an average tax liability increase of 39.8%.

### **Average Individual Income Tax Refund**

	Average	Number
2000 CYTD	\$539.49	1,201,461
1999 CYTD	\$504.94	1,197,187
% Change	6.8%	(0.4%)

### **"New" Filers in Calendar Year 1999**

Table 1 attached to this report, presents the number of "new" returns filed in calendar year 2000. "New" returns are for those filers who did not file in the previous calendar year. Therefore, these filers could be new full-year residents of Arizona, or they may be newly required to file an individual income tax return. (The filer may not have earned enough income in the previous year to file, such as a recent graduate just entering the work force.) The table indicates that 135,633 "new" returns have been filed thus far in 2000, representing approximately 160,351 persons, not including dependents. The average Federal Adjusted Gross Income for these 135,633 returns is \$15,201, with an average tax liability of \$205. The right half of this table presents characteristics of the filers represented on the returns. Of all "new" returns, 17.6% had a married filing joint filing status, 6.1% claimed a 65 And Over Exemption and 36.1% claimed dependents.

### **Individual Income Tax Estimated Payments**

Beginning in 1990, individuals are required to make estimated payments to Arizona if their Arizona gross income will exceed \$75,000, in an amount which will represent unpaid tax liability at the end of the taxpayer's tax year. The total estimated payments on the 140ES for tax year 1999 was \$342.9 million, for an average of \$1,677. A total additional \$56.7 million in estimated payments was received as refunds on the 1998 tax returns applied to 1999 estimates, for an average of \$1,692. Estimated payments received during May for tax year 2000 is as follows:

5/00	140ES payment	\$3,752,992	Cumulative	\$27,208,914
5/99	140ES payment	\$17,630,815	Cumulative	\$45,667,771
	Percent change	(78.7)		(40.4)
5/00	Average payment	\$1,687	Cumulative	\$876
5/99	Average payment	\$1,274	Cumulative	\$1,049
	Percent change	32.4		(16.5)
5/00	Applied refund	\$12,178,757	Cumulative	\$19,825,872
5/99	Applied refund	\$2,087,881	Cumulative	\$20,149,045
	Percent change	483.3		(1.6)
Total 5/00		\$15,491,219	Cumulative	\$47,034,786
Total 5/99		\$25,774,291	Cumulative	\$63,728,934
	Percent change	(39.9)		(26.2)

### **Withholding**

Withholding payments are received from employers and applied towards a specific quarter for the designated year. Information is gathered for 15 months for any given quarter. For example, from September 1998 through December 1999, \$534,654,558 was received for the fourth quarter of 1998. The latest complete quarter (15 months of information

has been compiled) is the first quarter of 1999, which shows a growth rate of 6.7% in withholding payments over the first quarter of 1998. Growth in quarters for which information is still being gathered is as follows:

2 <sup>nd</sup> Quarter 1999	9.8%	1 <sup>st</sup> Quarter 2000	14.4%
3 <sup>rd</sup> Quarter 1999	9.0%	2 <sup>nd</sup> Quarter 2000	0.0%
4 <sup>th</sup> Quarter 1999	10.0%		

The comparisons made above were against the same number of months of collections in the previous year. In other words, the fifth month of information available for the first quarter of 2000 was compared against the fifth month of collections for the first quarter of 1999. Current choices for withholding are 0%, 10%, 17%, 20%, 22%, 28% or 32% as the percent of federal taxes to be withheld for state taxes. The 0% option is only available to those individuals who had no liability in the prior tax year and expect no tax liability for the current year.

### **Property Tax Credits**

Arizona allows a refundable property tax credit if you are age 65 or older or if you received Title 16, SSI payments. Additionally, your household income must be below \$3,751 if you live alone, or \$5,501 if you live with another person, to qualify for this credit. The maximum credit is \$502.

	Number	Amount	Average
Calendar Year 2000	14,829	\$4,667,669	\$314.77
Calendar Year 1999	16,143	\$4,963,358	\$307.40
% Change	(8.1%)	(6.0%)	2.4%

### **Clean Elections**

As a result of the November 1998 voter approval of the Citizens Clean Elections, Arizona's income taxpayers can make a donation to the Citizens Clean Elections Commission through an income tax check-off or through a voluntary donation. Since the voter approval was not validated by the Federal Elections Commission until mid 1999, the 1998 tax forms did not carry these options. For tax year 1998, filed in 1999, these options are available.

	May 2000	Year to Date
Check Off	\$539,632	\$1,373,754
Voluntary Donation	\$7,067	\$47,554
Number of Returns	71,936	184,920

### **Contributions on the Individual Income Tax Return**

Through May 2000, individual income tax return filers have made the following contributions:

	Number	Amount	Average
Wildlife	10,452	\$156,789	\$15.00
Child Abuse	11,719	\$183,346	\$15.65
Special Olympics	5,530	\$73,458	\$13.28
Neighbors Helping	3,220	\$33,976	\$10.55
AID to Education	445	\$19,576	\$43.99
Domestic Violence Shelter	8,348	\$122,443	\$14.67
Democratic Party	599	\$8,682	\$14.49
Republican Party	413	\$9,144	\$22.14
Libertarian Party	112	\$2,299	\$20.53
Reform Party	12	\$157	\$13.08

## **CORPORATE INCOME TAX**

### **Corporate Income Tax Receipts**

	May 2000	May 1999	% Change
Gross Collections	\$36,776,339	\$36,696,723	0.2

Refunds	(\$8,555,963)	(\$5,181,751)	65.5
<b>Net Collections</b>	<b>\$28,220,376</b>	<b>\$34,514,971</b>	<b>(18.2)</b>

	<b>Fiscal Year Total (99/00)</b>	<b>Fiscal Year Total (98/99)</b>	<b>% Change</b>
Gross Collections	\$528,542,531	\$525,498,466	0.6
Refunds	(\$103,536,840)	(\$92,345,679)	12.1
<b>Net Collections</b>	<b>\$425,005,691</b>	<b>\$433,152,787</b>	<b>(1.9)</b>

### **Corporate Estimated Payments**

Corporations are required to file estimated tax payments throughout the year only if (1) their Arizona tax liability exceeds \$1,000 and (2) they are required to file federal estimated tax payments.

May 2000	\$24,114,260	Calendar Year Total	\$139,479,134
May 1999	\$19,304,364	Calendar Year Total	\$157,857,209
% Change	24.9%	% Change	(11.8%)

All corporations with an income tax liability of \$20,000 or greater are required to make their estimated tax payments through electronic funds transfer (eft). The table below shows the number of these eft estimated payments, by size of payment, for May 2000 and for the fiscal year.

Size of Payment ➔	Less than \$50,000	\$50,000 up to \$100,000	\$100,000 up to \$500,000	\$500,000 up to \$1,000,000	\$1,000,000 up to \$10,000,000	\$10,000,000 and more	Total	% chg
May 2000	95	6	17	5	5	0	128	18.5
May 1999	76	9	16	5	2	0	108	
CY 2000	1,029	146	143	28	17	0	1,363	7.1
CY 1999	981	125	130	23	13	1	1,273	

### **Corporate Refunds**

Corporate refunds paid in any state fiscal year are for a mixture of corporate fiscal years. The table below presents the percent of refunds paid in FY 98/99 by corporate fiscal year. For example, in FY 98/99, 3.8% of the refund dollars paid were for corporate fiscal years ending in 1994 or before. The percentages are for refunds paid through the fiscal year.

<b>Corporate Fiscal Year-End:</b>	<b>94 &amp; Prior</b>	<b>95</b>	<b>96</b>	<b>97</b>	<b>98</b>	<b>99</b>
FY 98/99	3.8%	2.1%	3.9%	66.5%	23.1%	0.6%

<b>Corporate Fiscal Year-End:</b>	<b>95 &amp; Prior</b>	<b>96</b>	<b>97</b>	<b>98</b>	<b>99</b>	<b>00</b>
FY 99/00	5.1%	1.4%	2.2%	68.1%	23.1%	0.1%

The corporate refunds shown above are those refunds for which a check is mailed to the corporation. Sometimes corporations choose to apply their refund as an estimated payment. The following table present information on refunds applied as estimated payments in the most recent month and for the calendar year.

May 2000	\$4,893,395	Calendar Year Total	\$20,296,093
May 1999	\$4,658,452	Calendar Year Total	\$22,091,683
% Change	5.0%	% Change	(8.1%)

### **Corporate Income Tax Document Count**

The Arizona Department of Revenue received 95,415 corporate returns showing a fiscal year-end of 1998. The type of return received is indicated below:

**120X (amended)   120 (regular)   120S (S corp)   99T (exempt org.)**

#	384	52,087	42,587	357
%	0.4	54.6	44.6	0.4

Through May 2000, 31,519 documents have been received for a fiscal year-end of 1999, distributed as follows:

	<b>120 X (amended)</b>	<b>120 (regular)</b>	<b>120S (S corp)</b>	<b>99T (exempt org.)</b>
#	75	23,818	7,502	124
%	0.2	75.6	23.8	0.4

The figures shown above for the 1999 returns are most meaningful when compared to 1998 returns received during the same period of time in the previous year. Through May 1999, the Arizona Department of Revenue received 58,210 documents with a fiscal year-end of 1998. This represents a 45.9% decrease in corporate returns received at this point of time in the calendar year **and is a result of processing problems.**

### **Urban Revenue Sharing Returned to Cities/Towns**

Incorporated cities and towns receive a share of net individual and corporate income tax collections, called Urban Revenue Sharing. The amount of money to be distributed is 15.8% of net income tax collections two years earlier. For example, the money being distributed in Fiscal Year 1999/2000 is based on net income tax collections in Fiscal Year 1997/1998. Amounts returned for May 2000 are shown on Table 2, at the end of this report.

---

## **TRANSACTION PRIVILEGE, SEVERANCE AND USE TAXES**

### **Transaction Privilege, Severance and Use Tax Receipts**

The Arizona transaction privilege and severance tax consists of many categories of tax. These categories include retail, contracting, amusements, restaurants and bars, hotel/motel and mining severance tax. The collections for all such categories are divided, per statute, into two parts. One part is called distribution base; the other part is known as non shared. The division of collections into these two parts varies from category to category. For example, retail sales tax is 40% distribution base and 60% non shared. In contrast, contracting is 20% distribution base and 80% non shared. Due to new legislation, mining severance is now 100% distribution base. Use tax is 100% non shared.

At the close of each month, the computer aggregates transaction privilege and severance tax collections by category and calculates total distribution base and non shared portions. The amount shown as "Use Tax" in the table below includes use tax, use inventory tax and jet fuel use tax. The "Other Revenue" category includes county excise, road, jail and hospital taxes and various other excise taxes, such as the 911 excise tax.

	<b>May 2000</b>	<b>May 1999</b>	<b>% change</b>
Distribution Base	\$103,161,697	\$95,522,400	8.0
Non shared	189,511,028	177,359,586	6.9
Use Tax	14,368,359	13,103,177	9.7
Other Revenues	37,999,402	35,192,814	8.0
<b>Total Collections</b>	<b>\$345,040,486</b>	<b>\$321,177,977</b>	<b>7.4</b>

	<b>Fiscal Year Total (99/00)</b>	<b>Fiscal Year Total (98/99)</b>	<b>% change</b>
Distribution Base	\$1,090,311,967	\$994,106,827	9.7
Non shared	2,034,043,580	1,865,605,224	9.0
Use Tax	161,625,708	135,077,683	19.7
Other Revenues	401,128,656	321,132,123	24.9
<b>Total Collections</b>	<b>\$3,687,109,910</b>	<b>\$3,315,921,856</b>	<b>11.2</b>



### **Distribution of Transaction Privilege, Severance and Use Tax Receipts**

Of the distribution base portion of transaction privilege and severance taxes, described above, 25% is returned to incorporated cities/towns, 40.51% is returned to counties and 34.49% goes to the state general fund with the exception of mining severance tax. All of the non shared revenue and use tax is deposited into the general fund. Therefore, the "Retained By State" figure presented below includes all non shared portion of transaction privilege tax, use tax and 34.49% of the distribution base collections. "Other" revenues are returned to the administering authority.

	<b>May 2000</b>	<b>May 1999</b>	<b>% change</b>
Retained by State	\$239,313,551	\$223,408,438	7.1
Returned to Counties	41,881,285	38,696,124	8.2
Returned to Cities	25,846,249	23,880,600	8.2
Other	37,999,402	35,192,814	8.0
<b>Total Collections</b>	<b>\$345,040,485</b>	<b>\$321,177,977</b>	<b>7.4</b>

  

	<b>Fiscal Year Total (99/00)</b>	<b>Fiscal Year Total (98/99)</b>	<b>% change</b>
Retained by State	\$2,570,353,712	\$2,343,550,350	9.7
Returned to Counties	442,529,037	402,712,676	9.9
Returned to Cities	273,098,505	248,526,707	9.9
Other	401,128,655	321,132,123	24.9
<b>Total Collections</b>	<b>\$3,687,109,910</b>	<b>\$3,315,921,856</b>	<b>11.2</b>

### **Transaction Privilege and Severance Tax Collections By Class**

	<b>Tax Rate</b>	<b>May 2000</b>	<b>% Chg</b>	<b>Fiscal Year Total</b>	<b>% Chg</b>
Transporting/Towing	5%	\$507,900	N/A	\$2,415,003	(5.5)
Non-Metal Mining/Oil & Gas	3.125%	529,664	14.1	5,460,459	(7.5)
Utilities	5%	17,977,502	0.0	241,236,206	2.8
Communications	5%	10,228,111	(7.0)	111,607,665	13.1
Railroads/Aircraft	5%	160,412	57.1	1,531,163	(9.8)
Private Car/Pipelines	5%	98,432	N/A	251,925	(63.3)
Publishing	5%	457,770	9.5	5,137,427	(3.5)
Printing	5%	1,763,923	(14.4)	19,112,846	0.5
Restaurants/Bars	5%	27,309,298	4.7	272,040,418	9.2
Amusements	5%	3,862,476	24.1	35,247,526	12.3
Commercial Lease	0%	60,632	385.3	14,434,498	N/A
Rental of Personal Property	5%	14,551,687	4.7	156,087,627	7.9
Contracting	3.75% - 5%	44,680,444	0.3	495,062,011	8.1
Feed Wholesale	Repealed	670	N/A	1,705	(41.2)
Retail	5%	158,781,941	11.3	1,657,609,580	10.4
Advertising	0	0	N/A	343	N/A
Mining Severance*	2.5%	424,197	(71.4)	11,424,101	(33.1)
Timber Severance	\$2.13/\$1.51 per 1000 board ft	1,405	8.8	12,064	(68.3)
Hotel/Motel	5.5%	10,717,448	16.2	91,034,944	8.1
Membership Camping	5%	2,704	(51.6)	67,077	(16.2)
Use/Use Inventory	5%	14,368,359	9.7	161,287,027	19.4
Rental Occupancy Tax	3%	14,262	9.1	100,128	(10.2)
Jet Fuel Tax	\$.0305/\$.0105 gal	530,269	13.7	4,766,106	6.2
Telecommunications Devices:	1.1				
Telecom. Fund for the	----	436,793	1.8	4,552,295	4.9
Poison Control Fund	----	161,554	1.8	1,683,726	(3.5)
911 Excise	1.25%	695,737	4.4	7,178,143	(4.0)
911 Wireless Service	\$0.10 monthly per activated	141,963	24.5	1,354,251	26.2
<b>Total</b>		<b>\$308,465,551</b>	<b>7.4</b>	<b>\$3,300,696,264</b>	<b>9.7</b>

\*Beginning with December 1999 the mining severance tax base has changed.

The Use/Use Inventory category shown on the previous page includes jet fuel use tax. These collections include only the individual classes of transaction privilege tax, severance tax and use tax. The total does not include license fees or any other fees collected by the Department.

### **Transaction Privilege and Severance Tax Taxable Sales By Class<sup>1</sup>**

	<b>May 2000</b>	<b>% Chg</b>	<b>Fiscal Year Total</b>	<b>% Chg</b>
Transporting/Towing	\$10,157,993	N/A	\$48,300,058	(5.5)
Non-Metal Mining/Oil & Gas	16,949,237	14.1	174,734,684	(7.5)
Utilities	359,550,037	0.0	4,824,724,129	2.8
Communications	204,562,223	(7.0)	2,232,153,310	13.1
Railroads/Aircraft	3,208,239	57.1	30,623,262	(9.8)
Private Car/Pipelines	1,968,633	N/A	5,038,509	(63.3)
Publishing	9,155,400	9.5	102,748,550	(3.5)
Printing	35,278,458	(14.4)	382,235,975	0.4
Restaurants/Bars	546,198,204	4.7	5,440,827,640	9.2
Amusements	77,249,513	24.1	704,950,515	12.3
Commercial Lease	3,446,412	269.6	651,289,149	N/A
Rental of Personal Property	291,033,735	4.7	3,121,727,257	7.9
Contracting	893,608,916	0.3	9,902,617,622	8.1
Feed Wholesale	142,955	N/A	363,559	41.2
Retail	3,175,639,425	11.3	33,150,690,039	10.4
Advertising	0	N/A	0	N/A
Mining Severance*	16,967,872	(71.4)	456,964,047	(33.1)
Timber Severance	0	0.0	0	0.0
Hotel/Motel	194,862,691	16.2	1,655,180,795	8.1
Membership Camping	54,081	(51.6)	1,341,530	(16.2)
Use/Use Inventory	286,345,955	9.5	3,209,643,417	19.1
Rental Occupancy Tax	475,403	9.1	3,382,596	(8.9)
<b>Total</b>	<b>\$6,126,855,381</b>	<b>7.0</b>	<b>\$66,099,536,641</b>	<b>10.3</b>

Telecommunications Devices, 911 Excise and 911 Wireless Service classifications previously listed in the collections table, are not elements of calculated taxable income and therefore, are not included in the above table. The Use/Use Inventory category shown above does not include jet fuel use tax. Since the jet fuel use tax is a gallonage tax, this too can not be computed as taxable income. A comparison can be made of gallons of jet fuel on which Arizona jet fuel tax or jet fuel use tax was paid. In May 2000, 19,060,015 gallons of jet fuel were taxed, an 19.2% increase from the 15,994,597 reported for May 1999. Timber Severance includes only sales subject to a repealed rate. The current tax is per board feet upon which taxable income cannot be computed.

### **Accounting Credit**

Effective to taxable periods beginning from and after July 1, 1995, a credit equal to one percent of the amount of tax due, up to \$10,000 per calendar year, is allowed to businesses for expenses incurred during the accounting and reporting of Transaction Privilege Tax. The amount of accounting credits claimed in May 2000 was \$1,523,829 a 6.2% increase from the \$1,434,497 claimed in May 1999. Accounting credits claimed-to-date in FY 99/00 equals \$14,723,075 a 12.5% increase from the \$13,091,624 a claimed during the same period in FY 98/99.

<sup>1</sup>These Taxable Sales figures are calculated on a per return basis, by taking collections and dividing them by the appropriate tax rate. These figures may not match other Taxable Sales figures calculated on the aggregate.

\*Beginning with December 1999, the mining severance tax base has changed.

### **Taxable Sales by SIC Code Range**

The taxable sales by SIC (Standard Industrial Classification) Code ranges are an indicator of business occurring for that type of retail sale. Certain limitations must be understood when using this information.

The Department of Revenue assigns a SIC code to a business based on its primary type of business activity. A grocery store would be assigned a SIC code of 5411. A business that deals primarily with dairy products would have a SIC code of 5451. A problem arises with businesses which derive revenue from multiple business activities. For example, a store like Cosco might be considered both a grocery store and a department store; however, all revenue would be reported under only one of the two possible codes. In summary, an accurate description of what this information represents would be: "These figures represent taxable retail sales for those businesses which have a primary SIC code falling within one designated range."

If the taxable sales for these ranges were added together, the total would not equal retail taxable sales. This is again due to the primary SIC code assignment. There are businesses making retail sales which do not have a primary retail SIC code.

<b><u>SIC Code Range</u></b>	<b><u>Description</u></b>	<b><u>May 2000</u></b>	<b><u>May 1999</u></b>	<b><u>% Chg</u></b>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$206,843,048	\$186,762,394	10.8
5311-5399	general merchandise stores	349,391,814	277,541,594	25.9
5411-5499	food stores (no food sales)	262,026,519	239,175,589	9.6
5511-5521	motor vehicle dealers	565,460,845	497,766,696	13.6
5531-5599	misc. automotive, motorcycle & boat stores	161,200,960	158,477,689	1.7
5611-5699	apparel & accessory stores	190,891,348	168,754,819	13.1
5712-5733	furniture, home furnishings & equipment stores	165,475,317	154,529,485	7.1
5912-5949	misc. retail stores	210,020,371	207,352,579	1.3
	<b>TOTAL</b>	<b>\$3,175,638,825</b>	<b>\$2,853,926,537</b>	<b>11.3</b>

<b><u>SIC Code Range</u></b>	<b><u>Description</u></b>	<b><u>FY 2000</u></b>	<b><u>FY 1999</u></b>	<b><u>% Chg</u></b>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$1,811,906,257	\$1,652,845,169	9.6
5311-5399	general merchandise stores	3,477,173,402	3,282,645,826	5.9
5411-5499	food stores (no food sales)	2,598,973,920	2,519,687,474	3.1
5511-5521	motor vehicle dealers	5,831,588,167	4,972,270,706	17.3
5531-5599	misc. automotive, motorcycle & boat stores	1,693,194,094	1,569,223,046	7.9
5611-5699	apparel & accessory stores	2,001,392,254	1,935,317,450	3.4
5712-5733	furniture, home furnishings & equipment stores	1,835,132,365	1,657,892,820	10.7
5912-5949	misc. retail stores	2,442,570,016	2,238,732,344	9.1
	<b>TOTAL</b>	<b>\$33,152,191,604</b>	<b>\$30,040,056,893</b>	<b>10.4</b>

### **Transaction Privilege and Severance Tax Returned to Counties**

Taxpayers reported the following taxable transactions and tax collections by county. The share of the revenues returned to each county for May 2000 is shown in the County Share column.

	<b>Dist. Base Collections</b>	<b>County Share</b>	<b>% of Total</b>	<b>FYTD County Share</b>	<b>% Chg</b>
Apache	\$240,628	\$344,196	0.8	\$5,124,882	57.4
Cochise	1,472,820	810,090	1.9	8,419,638	10.0
Coconino	2,716,896	1,179,422	2.8	12,607,592	9.2
Gila	613,762	327,572	0.8	3,579,538	(3.7)
Graham	347,937	206,816	0.5	2,203,800	7.4
Greenlee	536,560	237,389	0.6	2,847,853	(3.5)
La Paz	229,098	123,631	0.3	1,361,783	4.8
Maricopa	70,500,597	26,705,829	63.8	279,227,985	10.2
Mohave	2,456,561	1,131,462	2.7	11,811,581	6.3
Navajo	1,298,427	640,231	1.5	7,070,928	8.5
Pima	15,566,239	6,580,259	15.7	69,660,249	9.0
Pinal	1,697,234	979,827	2.3	10,554,601	4.8
Santa Cruz	621,425	281,295	0.7	2,900,241	7.0
Yavapai	2,840,705	1,373,203	3.3	14,729,187	13.8
Yuma	2,022,807	960,063	2.3	10,429,181	8.3
<b>Total</b>	<b>\$103,161,697</b>	<b>\$41,881,285</b>		<b>\$442,529,037</b>	<b>9.9%</b>

### **Transaction Privilege and Severance Tax Returned to Cities/Towns**

The portion of transaction privilege and severance tax returned to each incorporated city or town for May 2000 is shown on Table 3, attached to this report.

### **County Tax Collections**

The following county-imposed tax collections were received by the Department of Revenue during May 2000 and returned to the counties. County taxes in all but Coconino County are imposed at 10% of the state transaction privilege tax rate. Coconino's Excise Tax is 10% of the state rate, and its Jail Tax is 6% of the state rate. The stadium tax was imposed at 5% of the state rate. This rate completed its run in December 1997. Collections received now should be for prior periods. The rental car surcharge in Maricopa County is \$2.50 per car and in Pima County is \$3.50 per car. The RV Surcharge is \$0.50/day on each lease or rental of a parking space for recreational vehicles.

	<b>Road Tax</b>	<b>Excise Tax</b>	<b>Jail Tax</b>	<b>Rental Car Surcharge</b>	<b>Stadium Tax</b>	<b>RV Surcharge</b>	<b>Hospital Tax</b>
Apache		\$77,783					
Cochise		\$429,244					
Coconino		\$754,326	\$447,145				
Gila	\$219,836	\$216,258					\$68
Graham		\$99,812					
Greenlee		\$52,666					
La Paz		\$65,118	\$65,205				
Maricopa	\$21,388,520		\$7,913,410	\$571,615	\$11,650		
Mohave		\$345,643					
Navajo		\$361,827					
Pima				\$134,713		\$12,061	
Pinal	\$565,729	\$529,460					
Santa Cruz		\$172,150					
Yavapai		\$825,286					
Yuma		\$580,022	\$579,174				

## OTHER TAXES

### Luxury Taxes

The following revenues were received from luxury taxes in May 2000. The table compares the receipts to May 1999 and also compares fiscal year (FY) totals. Figures may not add to total due to rounding.

	May 2000	May 1999	% Change
Spirituos	\$1,809,092	\$1,698,559	6.5
Vinous	794,161	700,814	13.3
Malt	1,778,966	1,930,279	(7.8)
Cigarette	11,899,429	11,977,287	(0.7)
Other Tobacco	326,752	318,796	2.5
Tobacco	100	150	(33.3)
Licenses			
<b>Total</b>	<b>\$16,608,499</b>	<b>\$16,625,884</b>	<b>(0.1)</b>

	Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% Change
Spirituos	\$18,978,594	\$18,044,403	5.2
Vinous	8,444,005	7,375,012	14.5
Malt	19,376,178	18,809,594	3.0
Cigarette*	142,090,440	146,042,681	(2.7)
Other Tobacco	3,363,362	3,235,554	4.0
Tobacco	7,075	7,000	1.1
Licenses			
<b>Total</b>	<b>\$192,259,653</b>	<b>\$193,514,244</b>	<b>(0.6)</b>

\*Through May 2000, \$381,100 of Cigarette and Tobacco tax collections has been allocated for administrative expenses and is not reflected in fiscal year collections.

### General Fund revenues from luxury taxes:

	May 2000	FY (99/00)
Spirituos	\$1,266,365	\$13,285,015
Vinous	197,904	2,105,954
Malt	444,741	4,844,043
Cigarette	3,282,054	39,112,872
Other Tobacco	50,647	521,321
Tobacco	100	7,075
Licenses		
<b>Total</b>	<b>\$5,241,810</b>	<b>\$59,876,281</b>

### Other dedicated revenues from luxury taxes:

	May 2000	FY (99/00)
Correction Fund revenues	\$2,108,012	\$23,106,143
Health Care Fund revenues	8,432,577	100,409,184
Wine Promotional Fund revenues	2,546	20,188
Drug Treatment & Education Fund revenues	589,341	6,332,501
Corrections Revolving Fund revenues	234,213	2,515,358

**Estate Tax**

	May 2000	\$4,613,300	Fiscal year To Date	\$73,665,584
	May 1999	<u>\$5,336,847</u>	Fiscal year To Date	<u>\$79,502,424</u>
% Change		(13.6%)	% Change	(7.3%)

**Private Car**

	May 2000	\$0	Fiscal year To Date	\$1,476,728
	May 1999	<u>\$0</u>	Fiscal year To Date	<u>\$1,441,440</u>
% Change		N/A	% Change	2.4%

**Bingo**

	May 2000	\$65,889	Fiscal year To Date	\$630,894
	May 1999	<u>\$68,070</u>	Fiscal year To Date	<u>\$671,723</u>
% Change		(3.2%)	% Change	(6.1%)

**Unclaimed Property**

	May 2000	\$1,415,479	Fiscal year To Date	\$18,996,958
	May 1999	<u>(\$461,340)</u>	Fiscal year To Date	<u>\$10,644,694</u>
% Change		N/A	% Change	78.5%

Please note that some totals throughout Tax Facts may not add due to rounding.

SOURCE: THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS, ARIZONA DEPARTMENT OF REVENUE

**TABLE 1**  
**“New” Returns Filed in 2000 for Tax Year 1999**  
**Through May 2000**

Federal Adjusted Gross Income Bracket	Number of Returns	% of Total	Average FAGI	Average Tax Due	CHARACTERISTICS OF TAXPAYERS					
					% Married Joint	% Single	% Unmarried Head	% Married Separate	% Over 65	% With Dependents
Negative FAGI	914	0.5%	-\$18,029	\$1	23.9%	66.6%	6.3%	3.2%	17.3%	13.4%
<b>\$0-\$5,000</b>	<b>51,556</b>	<b>26.8%</b>	<b>\$2,708</b>	<b>\$0</b>	<b>2.9%</b>	<b>87.7%</b>	<b>8.4%</b>	<b>0.9%</b>	<b>2.5%</b>	<b>11.3%</b>
\$5,000-\$10,000	45,096	23.4%	\$7,314	\$28	7.1%	70.4%	21.0%	1.5%	5.8%	27.4%
<b>\$10,000-\$15,000</b>	<b>28,560</b>	<b>14.8%</b>	<b>\$12,373</b>	<b>\$86</b>	<b>16.9%</b>	<b>48.0%</b>	<b>32.9%</b>	<b>2.2%</b>	<b>9.3%</b>	<b>43.8%</b>
\$15,000-\$20,000	19,922	10.3%	\$17,298	\$164	24.6%	40.2%	32.5%	2.7%	10.4%	47.3%
<b>\$20,000-\$25,000</b>	<b>12,225</b>	<b>6.3%</b>	<b>\$22,341</b>	<b>\$291</b>	<b>27.4%</b>	<b>41.6%</b>	<b>27.5%</b>	<b>3.4%</b>	<b>8.5%</b>	<b>46.2%</b>
\$25,000-\$30,000	8,101	4.2%	\$27,351	\$423	30.2%	41.4%	24.0%	4.4%	8.0%	43.9%
<b>\$30,000-\$40,000</b>	<b>9,701</b>	<b>5.0%</b>	<b>\$34,436</b>	<b>\$597</b>	<b>38.3%</b>	<b>38.5%</b>	<b>19.1%</b>	<b>4.1%</b>	<b>9.1%</b>	<b>42.7%</b>
\$40,000-\$50,000	5,694	3.0%	\$44,576	\$833	49.8%	31.4%	15.7%	3.1%	10.4%	44.5%
<b>\$50,000-\$75,000</b>	<b>6,683</b>	<b>3.5%</b>	<b>\$60,212</b>	<b>\$1,218</b>	<b>65.3%</b>	<b>23.9%</b>	<b>8.8%</b>	<b>2.1%</b>	<b>12.2%</b>	<b>43.6%</b>
\$75,000-\$100,000	2,244	1.2%	\$85,305	\$1,907	74.6%	18.4%	5.2%	1.8%	14.9%	43.9%
<b>\$100,000-\$200,000</b>	<b>1,639</b>	<b>0.9%</b>	<b>\$130,036</b>	<b>\$3,456</b>	<b>75.1%</b>	<b>17.6%</b>	<b>5.7%</b>	<b>1.6%</b>	<b>15.0%</b>	<b>43.2%</b>
\$200,000-\$500,000	264	0.1%	\$285,516	\$9,929	71.7%	21.9%	6.0%	0.4%	17.0%	38.5%
<b>\$500,000-\$1,000,000</b>	<b>43</b>	<b>0.0%</b>	<b>\$651,829</b>	<b>\$26,892</b>	<b>67.4%</b>	<b>25.6%</b>	<b>2.3%</b>	<b>4.7%</b>	<b>18.6%</b>	<b>20.9%</b>
\$1,000,000 and over	15	0.0%	\$2,343,071	\$107,616	93.3%	0.0%	6.7%	0.0%	13.3%	33.3%
<b>Total</b>	<b>192,657</b>		<b>\$16,501</b>	<b>\$249</b>	<b>18.0%</b>	<b>59.9%</b>	<b>20.1%</b>	<b>2.0%</b>	<b>7.0%</b>	<b>31.6%</b>

**NEW RETURNS FILED IN 1999 FOR TAX YEAR 1998**

<b>Total</b>	<b>228,194</b>		<b>\$17,402</b>	<b>\$289</b>	<b>18.4%</b>	<b>59.3%</b>	<b>19.8%</b>	<b>2.5%</b>	<b>7.4%</b>	<b>32.4%</b>
--------------	----------------	--	-----------------	--------------	--------------	--------------	--------------	-------------	-------------	--------------

“NEW” Returns means that there was no return filed by the taxpayer in the previous filing year. This may or may not mean the filer is new to the state.

\*Information cannot be released due to confidentiality laws.

**TABLE 2**  
**Urban Revenue Sharing Returned to Cities/Towns**  
**May 2000**

<b>City</b>	<b>Distribution</b>	<b>Population</b>	<b>City</b>	<b>Distribution</b>	<b>Population</b>
<b><u>Apache County</u></b>			Scottsdale	\$1,552,938	168,176
Eagar	\$41,692	4,515	Surprise	99,145	10,737
Springerville	17,729	1,920	Tempe	1,420,383	153,821
St. Johns	31,026	3,360	Tolleson	40,962	4,436
<b><u>Cochise County</u></b>			Wickenburg	44,000	4,765
Benson	\$37,998	4,115	Youngtown	24,876	2,694
Bisbee	60,021	6,500	<b><u>Mohave County</u></b>		
Douglas	136,479	14,780	Bullhead City	\$248,764	26,940
Huachuca City	17,914	1,940	Colorado City	29,456	3,190
Sierra Vista	349,184	37,815	Kingman	154,845	16,769
Tombstone	12,974	1,405	Lake Havasu City	335,056	36,285
Willcox	32,624	3,533	<b><u>Navajo County</u></b>		
<b><u>Coconino County</u></b>			Holbrook	\$46,816	5,070
Flagstaff	\$503,068	54,480	Pinetop-Lakeside	30,481	3,301
Fredonia	11,543	1,250	Show Low	64,527	6,988
Page	73,410	7,950	Snowflake	38,044	4,120
Williams	24,839	2,690	Taylor	24,516	2,655
<b><u>Gila County</u></b>			Winslow	99,543	10,780
Globe	\$65,174	7,058	<b><u>Pima County</u></b>		
Hayden	8,403	910	Marana	\$56,457	6,114
Miami	18,837	2,040	Oro Valley	181,513	19,657
Payson	101,611	11,004	Sahuarita	21,340	2,311
Winkelman	6,242	676	South Tucson	50,344	5,452
<b><u>Graham County</u></b>			Tucson	4,098,263	443,823
Pima	\$17,083	1,850	<b><u>Pinal County</u></b>		
Safford	81,010	8,773	Apache Junction	\$180,294	19,525
Thatcher	36,539	3,957	Casa Grande	192,806	20,880
<b><u>Greenlee County</u></b>			Coolidge	65,146	7,055
Clifton	\$27,656	2,995	Eloy	82,321	8,915
Duncan	6,787	735	Florence	105,175	11,390
<b><u>La Paz County</u></b>			Kearny	22,669	2,455
Parker	\$27,240	2,950	Mammoth	18,099	1,960
Quartzsite	18,514	2,005	Superior	32,181	3,485
<b><u>Maricopa County</u></b>			<b><u>Santa Cruz County</u></b>		
Avondale	\$210,267	22,771	Nogales	\$190,728	20,655
Buckeye	44,850	4,857	Patagonia	8,726	945
Carefree	21,109	2,286	<b><u>Yavapai County</u></b>		
Cave Creek	28,404	3,076	Camp Verde	\$68,932	7,465
Chandler	1,222,213	132,360	Chino Valley	57,971	6,278
El Mirage	53,012	5,741	Clarkdale	24,008	2,600
Fountain Hills	130,624	14,146	Cottonwood	60,437	6,545
Gila Bend	16,132	1,747	Jerome	4,248	460
Gilbert	547,927	59,338	Prescott	287,048	31,086
Glendale	1,686,267	182,615	Prescott Valley	148,141	16,043
Goodyear	85,415	9,250	Sedona	82,127	8,894
Guadalupe	50,399	5,458	<b><u>Yuma County</u></b>		
Litchfield Park	34,526	3,739	San Luis	\$74,112	8,026
Mesa	3,122,173	338,117	Somerton	53,779	5,824
Paradise Valley	114,945	12,448	Wellton	10,397	1,126



Peoria	688,533	74,565	Yuma	579,821	62,792
Phoenix	10,613,719	1,149,417			
Queen Creek	28,367	3,072	<b>TOTAL</b>	\$31,475,916	3,408,697

**TABLE 3**  
**Transaction Privilege and Severance Tax Returned to Cities/Towns**  
**May 2000**

City	Distribution	Population	City	Distribution	Population
<b><u>Apache County</u></b>			Scottsdale	\$1,275,185	168,176
Eagar	\$34,235	4,515	Surprise	81,413	10,737
Springerville	14,558	1,920	Tempe	1,166,339	153,821
St. Johns	25,477	3,360	Tolleson	33,636	4,436
<b><u>Cochise County</u></b>			Wickenburg	36,130	4,765
Benson	\$31,202	4,115	Youngtown	20,427	2,694
Bisbee	49,286	6,500	<b><u>Mohave County</u></b>		
Douglas	112,069	14,780	Bullhead City	\$204,271	26,940
Huachuca City	14,710	1,940	Colorado City	24,188	3,190
Sierra Vista	286,730	37,815	Kingman	127,150	16,769
Tombstone	10,653	1,405	Lake Havasu City	275,129	36,285
Willcox	26,789	3,533	<b><u>Navajo County</u></b>		
<b><u>Coconino County</u></b>			Holbrook	\$38,443	5,070
Flagstaff	\$413,091	54,480	Pinetop/Lakeside	25,030	3,301
Fredonia	9,478	1,250	Show Low	52,986	6,988
Page	60,280	7,950	Snowflake	31,240	4,120
Williams	20,397	2,690	Taylor	20,131	2,655
<b><u>Gila County</u></b>			Winslow	81,739	10,780
Globe	\$53,517	7,058	<b><u>Pima County</u></b>		
Hayden	6,900	910	Marana	\$46,359	6,114
Miami	15,468	2,040	Oro Valley	149,048	19,657
Payson	83,437	11,004	Sahuarita	17,523	2,311
Winkelman	5,126	676	South Tucson	41,339	5,452
<b><u>Graham County</u></b>			Tucson	3,365,262	443,823
Pima	\$14,028	1,850	<b><u>Pinal County</u></b>		
Safford	66,521	8,773	Apache Junction	\$148,047	19,525
Thatcher	30,004	3,957	Casa Grande	158,321	20,880
<b><u>Greenlee County</u></b>			Coolidge	53,494	7,055
Clifton	\$22,709	2,995	Eloy	67,597	8,915
Duncan	5,573	735	Florence	86,364	11,390
<b><u>La Paz County</u></b>			Kearny	18,615	2,455
Parker	\$22,368	2,950	Mammoth	14,862	1,960
Quartzsite	15,203	2,005	Superior	26,425	3,485
<b><u>Maricopa County</u></b>			<b><u>Santa Cruz County</u></b>		
Avondale	\$172,660	22,771	Nogales	\$156,615	20,655
Buckeye	36,828	4,857	Patagonia	7,165	945
Carefree	17,333	2,286	<b><u>Yavapai County</u></b>		
Cave Creek	23,324	3,076	Camp Verde	\$56,603	7,465
Chandler	1,003,612	132,360	Chino Valley	47,603	6,278
El Mirage	43,531	5,741	Clarkdale	19,714	2,600
Fountain Hills	107,261	14,146	Cottonwood	49,627	6,545
Gila Bend	13,247	1,747	Jerome	3,488	460
Gilbert	449,927	59,338	Prescott	235,708	31,086
Glendale	1,384,668	182,615	Prescott Valley	121,645	16,043
Goodyear	70,138	9,250	Sedona	67,438	8,894
Guadalupe	41,385	5,458	<b><u>Yuma County</u></b>		
Litchfield Park	28,351	3,739	San Luis	\$60,857	8,026
Mesa	2,563,753	338,117	Somerton	44,160	5,824
Paradise Valley	94,386	12,448	Wellton	8,538	1,126
Peoria	565,385	74,565	Yuma	476,117	62,792

Phoenix	8,715,388	1,149,417		
Queen Creek	23,293	3,072	<b>TOTAL</b>	
				\$25,846,249      3,408,697

*The Office of Economic Research & Analysis  
Arizona Department of Revenue  
1600 W. Monroe  
Phoenix, AZ 85007*